

FFY 2003 Plan

1 FEDERAL HIGHWAY ADMINISTRATION GOALS

EXECUTIVE NUMERIC SUMMARY

	OVERALL GOAL
GOALS ESTABLISHED IN THIS SUBMISSION	
FHWA OVERALL GOAL	9.5%
Race and Gender Conscious	7.2%
Race and Gender Neutral	2.3%
Highway Construction Contracts	8.7%
Race and Gender Conscious Component	7.7%
Race and Gender Neutral Component	1.0%
Consultant Contracts	13.5%
Race and Gender Conscious Component	4.5%
Race and Gender Neutral Component	9.0%
Local Let Projects	11.8%
Race and Gender Conscious Component	5.4%
Race and Gender Neutral Component	6.4%

OVERALL GOAL

1. **FHWA – 9.5%** Expressed as a percentage of all Federal-aid highway funds estimated to be expended in FHWA-assisted contracts in the Federal Fiscal Year 2003.
Section 26.45(e)(1).
 - 7.2%** Race and Gender Conscious Component.
 - 2.3%** Race and Gender Neutral Component.

The FHWA goal consists of the following three subsets:

Subset I Let Highway Construction Contracts:

WisDOT's overall annual goal for DBE participation on let, federally funded highway construction contracts in federal fiscal year FFY 2003 is as follows:

8.7% expressed as a percent of all FHWA funds (**estimated at \$378 million**) to be expended on let contracts

Race and Gender Neutral	1.0% of federal funds
Race and Gender Conscious	7.7% of federal funds

Subset II Consultant Contracts:

13.5% expressed as a percent of all FHWA funds (**estimated at \$67.5 million**) to be expended on consultant contracts

9.0%	Race and Gender Neutral.
4.5%	Race and Gender Conscious.

Subset III Local Let Projects:

WisDOT's overall annual goal for DBE participation on Federally funded contracts in Local Let Projects for Federal Fiscal Year 2003 is as follows:

11.8% expressed as a percentage of all FHWA funds (estimated at \$9.2 million) to be expended on these projects.

6.4%	Race and Gender Neutral.
5.4%	Race and Gender Conscious.

WisDOT will separately administer and monitor DBE achievement in each of the three subsets. A shortfall in DBE achievement in any one area, will not be compensated by imposing higher goals on projects in the other subsets.

2 PROCESS FOR GOAL SETTING

In keeping with our past tradition, we utilized a collaborative and inclusive approach to formulating a goal setting methodology. WisDOT included the two industry stakeholders, the Wisconsin Transportation Builders Association (WTBA) and the National Association of Minority Contractors (NAMC-WIS) in developing a goal setting methodology. Historically, open meetings were held with industry and community groups as well as with Prime and DBE (MBE/WBE) contractors. In addition, the methodology and the goal were discussed at TRANS-AC, the Transportation Advisory Committee,¹ which traditionally has provided guidance and advice to the Secretary of Transportation on DBE issues. Finally, a representative from FHWA attended all meetings.

The final goal was established through an ongoing dialogue with all our stakeholders and represents an informed consent by stakeholder groups. The goal setting methodology used for setting FFY 2003 goals is the same methodology that was established last year in collaboration with our partners.

In accordance with the requirements of 49 CFR Part 26, Section 26.45 WisDOT published the FFY 2003 goals in various media to solicit public comment. We did not receive any comments from the public or stakeholders as a result of the published or WEB posted notices.

¹ TRANS-AC Members include prime contractors, industry associations, DBE subcontractors, (minority and women owned), and government representatives.

3 GOAL SETTING METHODOLOGY

In its FFY 2000 goal submission, WisDOT explored three options for beginning the overall annual goal setting process for DBE participation in USDOT-assisted contracts. The three options were for purposes of determining a base figure for relative availability of DBEs. WisDOT described all three options and selected one of the options to set FFY 2000 goals. The Department also decided to use similar methodology for developing separate overall annual goals for expenditure of FHWA, FAA, and FTA funds to which the new federal regulation applied.

For purposes of goal setting for FFY 2003, the general consensus of the industry stakeholder groups was to use the option previously approved by the FHWA, FTA and the FAA.

For FFY 2003 the FHWA overall goal is composed of the three following subsets:

Let Highway Construction Contracts
Consultant Contracts
Local Let Projects

SUBSET I METHODOLOGY FOR CALCULATING GOAL ON HIGHWAY

CONSTRUCTION PROJECTS LET BY WISDOT

STEP 1 DETERMINATION OF RELATIVE AVAILABILITY OF DBE FIRMS

WisDOT focused upon the relative availability of DBE firms in relation to all firms in the relevant types of WisDOT highway construction work. The methodology used to calculate the relative availability of DBEs ("base figure" or "Base") is in accordance with that suggested in the "Step 1" process in the federal regulations at section 26.45(c)(1) and (2). The base figure was calculated by dividing a number representing available DBEs by a number representing all available firms.

The data used to derive the numerator and denominator for this calculation is:

For the numerator: WisDOT's DBE Certified Firms

For the denominator: WisDOT's All Construction Contractors List **plus** DBE Certified Firms

All DBE certified firms listed as contractors in the DBE Directory were defined as ready, willing and able DBE firms for calculating the numerator. Contracting firms listed in the All Contractors List (including the DBE firms) were then compared to DBE firms.

Application of this formula yields the following baseline information:

$$\frac{\text{Number of Ready Willing and Able DBEs}}{\text{Number of All Ready Willing and Able Firms (Including DBEs)}} = \text{Base}$$

Due to data limitations, suppliers were not included in either number. Prior to the calculation, both the DBE list and the non-DBE lists were refined and pared to include only those companies actually quoting work on WisDOT projects in the last six years.

Because WisDOT calculates “ready, willing and able” firms as those who have bid or quoted work in the past six years, the number of prime contracting firms is assumed to be somewhat constant and will only be reviewed every three years. The number of DBE firms, however, is subject to annual fluctuation based on certifications, decertifications, graduations, etc. WisDOT examines this number annually. As this is the third year, a review of the number of prime contractors was conducted. The review yielded 101 DBEs and 1029 prime contractors.

The base figure resulting from this calculation is $101/1130 (1029 + 101) = 8.94\%$

STEP 2 ADJUSTMENTS

As permitted by the regulations, WisDOT will compute its Step 2 adjustments on a dollar basis rather than a percentage basis. In order to convert back to a percentage, it is necessary to determine the level of federal funding the Department will receive in FFY 2003. Our best estimate of funding is 378 million dollars for the next year.

In determining the Step Two adjustments, WisDOT reviewed a total of 10 considerations:

- a. Past achievements by DBEs
- b. Impact of trucking waiver request
- c. Good faith Efforts
- d. Capacity gains/losses
- e. Program size for FFY 2003
- f. Impact of the UCP
- g. Other studies
- h. Success of the DBE Program
- i. Past discrimination/barriers
- j. Impact of capacity building efforts

These will be discussed in detail below.

Item a: Past Achievements by DBEs:

Although we have four years of data on DBE achievements, it is essentially broken down into two separate components. For FFY 1999 and FFY 2000, when WisDOT credited trucking according to its previously accepted “2 for 1” methodology for leased trucks. DBE achievement averaged 10.61%. For FFY 2001 and 2002, when trucking is credited according to the new method, the average for participation is 7.64%. For the entire 4 year period, average goal achievement is 9.04%, rounded to 9%, since FFY 2002 is not complete. This results in a dropoff of 1.36% for the last two fiscal years (9%-7.64%). Assuming a program of 378 million dollars, this is a reduction of 4.9 million dollars.

Item b: Impact of Trucking Waiver Request:

It is clear that if the waiver request is approved DBE dollars will increase. However, at this point it is not possible to predict whether the waiver will be approved, and if so, when it will be approved. For this reason, all partners agreed that no adjustment would be made at this time, but if and when the waiver is approved we will revisit the issue to determine the impact on goal achievement.

Item c: Good Faith Efforts:

The committee agreed that no adjustment should be made for good faith efforts because the impact of any waivers on goal achievement were already taken into account when the adjustment for past participation was determined.

Item d: Capacity Gains/Losses:

A major DBE firm was debarred for the majority of FFY 2002 and will be able to bid again in FFY 2003. Additionally, some firms have expanded into new areas of operation. After much discussion, it was determined that the net impact of these changes was an increase of 2.5 million dollars.

Item e: Program Size for FFY 2003:

As always, there are rumors of major increases or decreases in the amount of federal dollars available to the Department. A substantial swing in either direction could impact DBE participation. However, it has been determined that the level of funding will be essentially unchanged, so this is a moot issue. No adjustment was made for this item.

Item f: Impact of the UCP

There were differing opinions on whether or not the UCP will have a major positive impact. Some believed that it will increase participation simply because more firms are now in the program, while others pointed out that WisDOT's DBE program has been in existence long enough that any firm which was not already certified with WisDOT probably had made a conscious decision not to work on WisDOT projects and therefore the impact would be negligible. An increase of 250,000 dollars was agreed upon for this item.

Item g: Other Studies

While there are some disparity studies for the city of Milwaukee, no statewide studies exist, and there were concerns over whether the city's study significantly applied to WisDOT construction contracting. For these reasons, no adjustment was made for this item.

Item h: Success of the DBE Program

When this item was discussed, conversation focused on how we should measure success and what would best ensure successful firms. There were no quantifiable figures that resulted from this conversation, although a number of ideas were expressed that will be followed up on.

Item i: Past Discrimination:

Although we found no documented evidence of past discrimination, there was substantial belief that discrimination has occurred in the public and private sectors of the transportation development industry in such fields as Construction contracting, labor, banking, insurance, and equipment sales. However, it was felt that it would be very difficult to quantify without a thorough investigation and a disparity study, for which WisDOT has neither time, resources, nor certainty of a likely result and so no step 2 adjustment was made for this item.

Item j: Capacity Building:

The Department has a capacity building program that has been ongoing for four years. An adjustment of 1.25 million dollars was made to estimate the effects of this program in building capacity and remedying some of the ongoing effects of past and present discrimination.

Taken together, the net dollar impact of the Step 2 adjustments is a decrease of 900,000 dollars. Our Step 1 "nose count" yielded 8.94 %, or 33.8 million dollars based on 378 million dollars. Adjusting by the Step 2 reduction of 900,000 dollars results in a final projected DBE achievement of 32.9 million dollars, which translates to a goal of 8.70%.

Overall Goal For WisDOT Let Highway Construction Projects:
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The overall goal for construction projects let by WisDOT is 8.7%
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RACE AND GENDER NEUTRAL AND RACE AND GENDER CONSCIOUS COMPONENTS

For FFY 2003 WisDOT will meet the maximum feasible portion of its overall goal by using race and gender neutral means of facilitating DBE participation as required by the new regulation, section 26.51(a).

In its 2001 goal submission WisDOT considered three basic records in determining the race and gender neutral component of its 2001 goal.

First, WisDOT for almost a decade has been permanently enjoined from setting DBE goals on state funds and state funded projects. Therefore WisDOT has a sound benchmark for DBE participation in the absence of any race and gender conscious goals on state only funded projects.

Second, for over a decade since 1988 WisDOT has assigned discretionary goals (race and gender neutral) to some federal aid projects and has data regarding DBE participation rates on these “neutral” projects.

Third, in May and June 1998, federal funds were not available for any WisDOT projects due to an impasse in the federal budget process. As a result, due to the permanent federal injunction all WisDOT contracts let in those months were state funds only and had no race and gender conscious goals. WisDOT has data from these lettings regarding DBE participation rate in the absence of any goals.

In each of these cases, the participation rate in the absence of any race and gender conscious goals was around 3% compared with the general overall historic WisDOT federal DBE goal of 10%. As 3% is the historic DBE participation rate in the absence of any goals, WisDOT felt that it was reasonable to conclude that race and gender neutral measures would result in the achievement of at least 30% of the overall goal $\{.03 (3\%) \text{ divided by } .10 (10\%)\}$ and that with additional planned efforts it was reasonable to increase this race and gender neutral expectation to 33% or $1/3$.

For 2000-2001 WisDOT had initially sought to achieve $1/3$ of the overall annual goal by race and gender neutral means, i.e. no mandatory contract goals. This translated to 7.5% race and gender conscious and 3.7% race and gender neutral goals for FFY 2000. WisDOT also decided to institute two new contracting practices as a step toward achieving a level playing field that is race and gender neutral.

First, WisDOT decided not to require contractors to adhere to any portion of a DBE commitment that exceeds the contract goal. This it was hoped would encourage contractors to report and make larger DBE commitments than were necessary. Contractors avoided reporting or committing more DBE participation than was required on individual contracts in the past for fear of being penalized if they did not make the extra participation level.

Second, WisDOT encouraged all contractors to report DBE participation amounts on all contracts, not just federally funded contracts, or contracts with discretionary goals. This measure was undertaken to provide the Department with information on the prime contractors subcontracting practices to aid staff in granting good faith efforts waiver requests.

The objective was to encourage use of DBEs on all contracts regardless of the source of funds and to achieve the maximum feasible portion of its overall goal by using race and gender neutral means of facilitating DBE and small business participation.

However, as overall DBE goal achievement declined in FFY 2001 and 2002, race neutral participation has also been reduced/. In 2001, it stood at 1.73%, and in 2002 to date it represents only 0.88%. For these reasons, WisDOT, with concurrence from its partners in the majority and DBE community, will establish a race neutral component of 1.00% and a race conscious component of 7.7%.

In keeping with last year's goal submission, WisDOT will adjust the mix of race and gender neutral and race and gender conscious goals as needed to reflect actual DBE participation. WisDOT will track and report race and gender neutral and race and gender conscious participation separately.

For reporting purposes, race and gender neutral DBE participation includes, but is not necessarily limited to, the following: DBE participation on a prime contract a DBE obtains through customary competitive bidding procedures; DBE participation as a subcontractor on a prime contract that does not carry a DBE goal; DBE participation as a subcontractor on a prime contract exceeding the contract goal; and DBE participation as a subcontractor from a prime contractor that did not consider a firm's DBE status in making the award. This data will be collected for federally-aided contracts. WisDOT will report race and gender neutral DBE achievements on federally funded projects.

SUBSET II METHODOLOGY FOR CALCULATING GOAL ON HIGHWAY CONSULTANT CONTRACTS

STEP 1 DETERMINATION OF RELATIVE AVAILABILITY OF DBE FIRMS

For determining the goal on consultant contracts WisDOT used the methodology described in Subset I (see page 4), and modified it for the Consultant Industry

Note: The goal has not changed from FFY 02 to FFY 03; the following charts are submitted as additional information to support our decision not to change the goal or its elements at this time.

“Nose Count” of DBE firms

The calculation of the “nose count” of DBE firms was used only as a beginning point. Using DBE and Non DBE consultants on the Eligibility Roster, plus others of the same who received work as a Prime or subconsultant, we derive: $29/283(29+254) = 9.76\%$

The eligibility roster is a listing of consultants who have been approved by WisDOT to perform as prime consultants for engineering contracts. WisDOT does not prequalify subconsultants.

STEP 2 ADJUSTMENTS

Item a: Past achievements by DBEs:

WisDOT’s analysis of DBE achievement in relation to federally aided contracts, indicates the following:

• FFY 97	\$3.15M/\$22.95M	=	13.7%
• FFY 98	\$4.90M/\$37.2M	=	13.2%
• FFY 99	\$7.62M/\$54.94M	=	13.9%
• FFY 00	\$9.89M/\$52.87M	=	18.7%
• FFY 01	\$7.84M/56.10M	=	14.0%
• FFY 02	\$7.30M/53.20M	=	13.8% (thru 8/31/02)
*Average	\$6.78M/46.23M	=	14.7%

* Represents average of six years

* Median = $(13.9+13.7) \div 2 = 13.8\%$

Since it is clear that the consultant participation has been steady over a range of years, there is not a strong case to add or subtract an amount to account for past achievement.

Item b: Impact of trucking waiver request:

This does not apply

Item c: Good Faith Efforts:

The impact of any waivers on goal achievement was already taken into account when the adjustment for past participation was determined.

Item d: Capacity Gains/Losses:

Based upon analysis of data it was decided that the following factors be included in adjusting the Baseline percentage in Step I.

1. Factors, which would decrease DBE participation such as:
 - a) Loss of firms from program overtime
2. Factors, which would increase DBE participation such as:
 - a) WisDOT practices in partnering with industry

The minus and the plus are of equal weight, so no adjustment

Item e: Program Size for FFY 2003:

It has been determined that the level of funding will be essentially unchanged, so this is a moot issue. No adjustment was made for this item.

Item f: Impact of the UCP

No adjustment was made for this item.

Item g: Other Studies

No adjustment was made for this item.

Item h: Success of the DBE Program

No adjustment was made for this item.

Item i: Past Discrimination:

There was substantial agreement that discrimination has occurred in this industry and related fields such as banking, insurance, and equipment sales. However, it was felt that it would be very difficult to quantify, and as such no adjustment was made (x value)

Item j: Capacity Building:

No adjustment was made for this item.

There are no other applicable Step 2 adjustments.

RACE AND GENDER CONSCIOUS AND RACE AND GENDER NEUTRAL COMPONENTS AND DISCUSSION

In the past, DBE achievement on prime construction and design consultant contracts was entirely race and gender neutral. WisDOT's current practice is to apply DBE subcontracting goals only on design consultant contracts in excess of \$100,000. No specific goals are assigned to construction consultant contracts, but selection of DBEs is encouraged. WisDOT's practice for prime consultant selection for design and construction consultant contracts is based on race and gender neutral means, as no project goals are set. This has resulted in approximately 2/3 of overall DBE participation achieved through these race and gender neutral means. (See table below).

In design consulting contracts, which carry specific goals for DBE subcontractors, DBEs have achieved participation at a rate of 1/3 of the overall participation realized on consultant contracts. (See table below).

WisDOT believes that it is necessary to have race and gender conscious means for attaining the goal on consultant contracts, because it is only through the assignment of subcontract goals that smaller DBE firms have an opportunity to participate in the marketplace. For this reason, WisDOT will use race and gender conscious means to attain 1/3rd of the goal. This would result in the overall achievement of 13.5% comprised of 2/3 neutral (9%) and 1/3 conscious (4.5%) components.

Disadvantaged Business Enterprise Participation, FFY 1997-2001
Race Conscious vs. Race Neutral

Federal Fiscal Year	Race Conscious DBE Participation	Race Neutral DBE Participation	Total DBE Participation	Total Federal Contract Cost	Race Conscious DBE %	Race Neutral DBE %	Total DBE%
1997	\$741,962.35	\$2,412,386.51	\$3,154,348.86	\$22,950,801.26	3.2%	10.5%	13.7%
1998	\$1,582,907.34	\$3,319,395.95	\$4,902,303.29	\$37,252,277.27	4.2%	8.9%	13.2%
1999	\$2,718,830.60	\$4,899,547.23	\$7,618,377.83	\$54,939,104.98	4.9%	8.9%	13.9%
2000	\$2,075,130.58	\$7,810,316.97	\$9,885,447.55	\$52,870,475.71	3.9%	14.8%	18.7%
2001	\$2,416,900.08	\$5,427,301.79	\$7,844,201.87	\$56,142,788.40	4.3%	9.7%	14.0%
2002	\$2,096,505.56	\$5,248,594.30	\$7,345,099.99	\$53,223,699.98	3.9%	9.9%	13.8%
Total	\$11,632,236.51	\$29,117,542.75	\$40,749,776.39	\$277,379,147.60	4.2%	10.5%	14.7%

* **FFY 2002 Data is through August 21, 2002**

Race Conscious Costs include DBE participation up to 10% of the contract amount (as a prime or sub) on federally funded contracts over \$100,000 that use the design boilerplate.

Median Participation = 13.8%

Race and Gender Neutral costs include all other costs attributable to DBE firms on construction, design, and other federally funded contracts.

Any DBE participation above the 10% requirements on federally funded design contracts are also included in the Race and Gender Neutral DBE percent.

Source: Prime/Sub submitted contracts to WisDOT (FFY97-2002)(Bureau of Financial Services)

Overall Goal

In view of the nose count (9.8%), the 1997 achievement (13.7%), the 1998 achievement (13.2%), the 1999 achievement (13.9%), the 2000 achievement (18.7%), the 2001 achievement (14.0%) the 2002 achievement (13.8%) and the median achievement of 13.8%, WisDOT does not consider these variances to be sufficiently large to justify a change in the goal of 13.5% which was established for FFY 2002. Thus, the goal 13.5% likewise, will remain as is. The race and gender neutral portion of the overall goal is 9.0% and the race and gender conscious portion is 4.5%.

SUBSET III METHODOLOGY FOR CALCULATING GOAL ON CONTRACTS LET BY LOCAL GOVERNMENTS

STEP 1 DETERMINATION OF RELATIVE AVAILABILITY OF DBE FIRMS

WisDOT considered the same methodology listed above to obtain a goal for projects let by local governments. (Locally let projects include CMAQ, Enhancement, and similar type projects.) Since the DBE firms participating in these projects would be drawn from the same universe of firms as those in Let construction projects, the base figure methodology yielded the same goal as that for Let construction projects.

The base figure resulting from this calculation is **101/1130 (1029+101) = 8.94%**

STEP 2 ADJUSTMENTS

For FFY 2002, the achievement on locally let projects is 14.65%. This figure is substantially higher than the goal set for 2002 of 5.4%. Averaging the Step 1 figure with the actual achievement yields a goal of $(8.94+14.65)/2=11.8\%$. Because the locally let Projects is relatively small in terms of dollars and contracts, (Locally let projects in proportion to others will constitute \$9.2 million, while state lets will constitute \$378 million and consultants will constitute \$67.5 million.) WisDOT has decided not to include all the adjustment factors in it's Step 2 adjustment, since they would have a negligible impact on goal achievement. Thus the goal for FFY 2003 will be set at 11.8%. WisDOT is using only one year of data for participation because our records for prior years are not complete. As such, we feel we cannot place reliance on any data other than FFY 2002 goal achievement.

In addition, WisDOT did not use any step 2 adjustment factor other than past participation because these types of projects are usually specialized in nature and it is difficult to quantify impacts of other factors. For example, while trucking is easy to calculate for construction projects, it is not a factor in local let projects such as renovation of historic depots or air quality improvement projects

Race and Gender Conscious and Neutral Components

WisDOT has set a goal of 5.4%, which was entirely race and gender conscious, since 1999. As we develop a history with these projects, it is evident that higher levels of participation are being achieved. At this point we have only one year of good data, which does not in and of itself justify a reduction of the race and gender conscious goal. Thus we will retain the race and gender conscious goal of 5.4%, but will establish the remainder-6.4% --as a race and gender neutral component. If our experience continues to follow these trends, further portions of the goal will become race and gender neutral in future years.

Overall Goal for Local Let Projects:

The overall goal for Local Let Projects is **11.8%**, which will be achieved by **5.4%** race and gender conscious means and **6.4%** race neutral means.

4 FEDERAL AVIATION ADMINISTRATION GOALS

OVERALL BLOCK GOAL

10.7% Expressed as a percentage of all Federal Funds
for Block Grant Recipients (Estimated at 6.8 million dollars).

6.0 % Race and Gender Conscious Component

4.7% Race and Gender Neutral Component

INDIVIDUAL AIR CARRIER GOALS

Air Carrier Airports set their own goals. WisDOT assisted each Carrier Airport except Milwaukee County in setting separate goals for each of the airports. The goals described above therefore do not include the goals for Air Carrier Airports; Goals for air carrier airports were prepared with WisDOT assistance and are attached as attachments A to G. Goals are as follows:

Austin Straubel International Airport	5.8%
Chippewa Valley Regional Airport	8.2%
Central Wisconsin Airport	6.4%
Dane County Regional Airport	6.9%
LaCrosse Municipal Airport	5.7%
Outagamie County Regional Airport	7.0%
Rhineland-Oneida County Airport	5.8%

PROCESS FOR GOAL SETTING

In keeping with our past tradition, we utilized a collaborative and inclusive approach to formulating a goal setting methodology. WisDOT included the two industry stakeholders, the Wisconsin Transportation Builders Association (WTBA) and the National Association of Minority Contractors (NAMC-WIS) in developing a goal setting methodology. In addition, approval of the methodology and the final goal was provided by TRANS-AC, the Advisory Committee which traditionally has provided guidance and advice to the Secretary of Transportation on DBE issues.

Air carrier airports have been directed by FAA to set their own goals.

GOAL SETTING METHODOLOGY

WisDOT decided to use the a similar methodology for developing separate overall annual goals for expenditure of FHWA, FAA, and FTA funds to which the new federal regulation applies. "A representative of the FAA was invited to attend and assist in guiding us and the TRANS-AC Committee in the preparation of goals for FAA block grant funds and air carrier airport funds on numerous occasions, but the representative was unable to attend due to FAA travel budget restrictions. In addition, at the request of FAA, WisDOT prepared and submitted separate goals for each of the above 7 primary airports for federal fiscal year October 1, 2001 to September 30, 2002 as requested by April 15, 2002. Please recall that events during that federal fiscal year, FAA Program Guidance Letters 02-2, 02-3, and 02-4, and Public Law 107-71 had a significant impact on the methodology and accuracy of the overall DBE goals that we established for each airport in August 2001. The heightened emphasis on airport security and the expanded as well as retroactive eligibility for increased federal financial participation affected both the nature of the work anticipated and the opportunity for establishing DBE goals. WisDOT sought FAA review and response to this April 15, 2002 submittal in time to help prepare the goals for FAA funds for the 2003 fiscal year. However, no response has been received to date commenting on this submittal, apparently due to an FAA cutback in consultant review funds. WisDOT did receive helpful information and confirmation from the FAA regional representative that NO DBE GOALS whatsoever apply to the special security funds provided by Public Law 107-71. WisDOT also received confirmation that the amount of FAA funds that would be available as block grants and what FAA funds would be available to each of 7 air carrier airports in the upcoming fiscal year to which DBE goals do apply October 1, 2002 to September 30, 2003 was and remains unknown and uncertain. Therefore, while the approach we are utilizing for this federal fiscal year is not perfect or as refined as we had hoped, it uses the best evidence and methodology available to us at this time. Each individual air carrier airport will also separately submit its concessionaire's goal. FAA law as to concessionaires, 49 USC 47107(e)1, states that the DBE goal applies to concessionaire business ownership, not to the federal funds provided."

The goal, methodology and calculation for the FAA overall goal for Block Grant funded projects only are stated below. Overall goals anticipated to be undertaken by each separate air carrier airport in FFY 2003 have been developed along with the methodology and calculation. These are attached as attachments a-g.

CALCULATION OF GOAL FOR BLOCK GRANT RECIPIENTS

STEP 1 DETERMINATION OF RELATIVE AVAILABILITY OF DBE FIRMS

To calculate the relative availability of ready willing and able DBE firms, WisDOT used the methodology outlined in the Goal Setting Methodology described for the FHWA Goal Section (Page 4) above.

WisDOT looked at the number of WisDOT certified DBE firms who could perform work in the SIC Codes associated with airport construction projects and compared them to all other non DBE firms who perform work in similar SIC Codes.

The list of certified DBE firms was pared down to 68 firms. This figure does not include DBE firms who perform work in steel erection, bridge construction, bridge painting and drilling. Similar selection criteria yielded 686 non-DBE firms.

Application of this methodology for calculating a base figure yielded the following result:

$$68/686 \text{ non DBE Firms} + 68 \text{ DBE Firms} = 68/754$$

$$68/754 = 9.02\%$$

When WisDOT resubmitted its goals for FFY 2002 in April 2002, it conducted a review of all firms, both DBE and non-DBE, which perform work on airport projects. Because these numbers were so recently reviewed, they are considered to be current and have not been reviewed for this submission.

STEP 2 ADJUSTMENTS:

As a starting point in determining Step 2 adjustments, WisDOT averaged its Step 1 Figure with the median DBE achievement during the past five years. This approach is consistent with official guidance received from USDOT.

The table below displays DBE Achievement for five years and the total, the average and the median of this achievement.

FFY	DBE ACHIEVEMENT BLOCK GRANTS	TOTAL FEDERAL DOLLARS	PERCENT
1997	\$ 473,965	\$ 5, 017,123	9.4%
1998	\$ 720,922	\$ 8, 174, 896	8.8%
1999	\$ 519,188	\$ 3, 388, 910	15.3%
2000	\$ 772,526	\$ 5, 929, 964	13.0%
2001	\$ 506,425	\$ 5, 029, 207	10.1%
*2002	\$ 601,665	\$11,359,029	5.30%
TOTAL	\$2,993,026	\$27,540,100	Median=10.1%

**This figure was not available when the goal was developed. It is provided for information only.*

This results in a goal of $(9.0 + 10.1)/2 = 9.6\%$ based solely on past achievements and the Step 1 number. However, in computing adjustments for highway construction projects, WisDOT arrived at a total of 10 adjustment factors. (The reader is referred to Page 6 of this submission for a complete listing and description of these factors). WisDOT believes all of these factors are applicable to both highways and block grant airports. While the dollars will obviously be smaller, the percentage should be constant.

Factor a in the Step 2 adjustments is past DBE participation, Factors b through j totaled 4 million dollars for the highway program. Using WisDOT's best estimate of available funds for the highway program (\$378 million), the net impact of these adjustment factors is +1.06%. ($\$4 \text{ million} / 378 \text{ Million}$) The adjustment factor of +1.06% should, in our judgment, remain constant regardless of the dollars involved in the total program. In other words, the \$4 million figure would only be relied on a \$378 million program, but the percentage would be constant for any size program.

Some of the adjustment factors require further explanation:

Factor b—Impact of trucking waiver: This will vary from the statewide figure for highways depending on the type of work let in FFY 2003. Obviously, a terminal building will have minor opportunities for trucking participation, whereas runway construction will have opportunities similar to highway construction. Since the waiver is not yet approved, no adjustment was made,

but it was agreed that if and when the waiver is approved this factor would be reconsidered and an adjustment made as appropriate. The same commitment applies for Aeronautics projects. Factor e---program size for FF 2003: In the case of Aeronautics, a major increase has occurred for security projects in the wake of Sept. 11. However, FAA staff has confirmed that DBE goals are not required on security project.

The final goal for Block Grant Airports is the sum of the goal determined by averaging Step 1 and Past participation and adding in 1.06%, representing Step 2 factors b through j., or $9.6 + 1.06 = 10.66$, or 10.7%

RACE CONSCIOUS/RACE NEUTRAL DETERMINATION:

WisDOT has maintained a 2/3 Race and Gender Conscious, 1/3 Race and Gender Neutral split on its goals since that factor was originally determined in 1999. However, a review of past achievements shows that the overall goal of 9.1% for 1999, 2000, and 2001 was exceeded in each of the past three years. This indicates that an increase in the percentage assigned to race neutral means is warranted. Insofar as the increase to 10.7% very closely matches achievement levels for the past few years, WisDOT has decided to retain the race and gender conscious percentage of the previous goal and consider the rest to be race and gender neutral. Thus the goal for 2003 will be 11%, broken down to 6% race and gender conscious and 4.7% race and gender neutral components.

5 FEDERAL TRANSIT ADMINISTRATION GOALS

OVERALL GOALS

9.6% expressed as a percentage of all
Contractible Federal Transit Funds for all
System Operators in the State except
Milwaukee County.

0% Race and Gender Conscious Component
9.6% Race and Gender Neutral Component

GOALS FOR SYSTEM OPERATORS

SYSTEM OPERATOR	GOAL
Appleton/Valley Transit	3.5%
City of Madison	12.9%
City of Racine	15.8%
Superior/Duluth Transit	12.0%
Waukesha County Transit	8.0%
City of Wausau	1.4%

PROCESS FOR GOAL SETTING

WisDOT's Transit Section has communicated with the Urbanized System Operators to discuss the proposed goal setting methodology for FFY 2003. The final goal thus was established through an ongoing dialogue with all stakeholders and represents a consensus of all partners and stakeholder groups.

The Transit Section's methodology for FFY 2003 is unchanged from that used in FFY 02. To calculate the base figure, WisDOT divided the number of certified DBE firms doing FTA funded work by the total number of prime contractors and vendors doing FTA work.

Last year except for Milwaukee County all the large urban system operators expected WisDOT to set their goal. This year six large System Operators have decided to set their own goals and report it separately to FTA.

GOAL SETTING METHODOLOGY

The FTA overall goal applies to the 54 Non-Urbanized System Operators and excludes Milwaukee County and the urbanized system operators shown on page 22.

As mentioned earlier, WisDOT's methodology for FFY 2003 is unchanged from that used in FFY 2002.

STEP 1 DETERMINATION OF RELATIVE AVAILABILITY OF DBE FIRMS

In 1999, WisDOT requested the 14 Urbanized System operators to forward vendor and supplier data to WisDOT to assist in the determination of ready willing and able DBE firms and all non-DBE firms.

WisDOT used data provided by the system operators in determining the number of ready willing and able DBE firms for the numerator. Using a "head-count" methodology there are 64 DBE firms and 1,413 non-DBE firms reported as contractors/ vendors to transit system operations and a total supplier count of 1,477.

This yielded the following goal percentage: $64/1477 = 4.3\%$

Using a capacity methodology, we computed the relationship to purchased products and services from DBE firms to total expenditures with all firms.

This gave a DBE participation of 9.6%.

A review of goal achievements by the various Transit properties shows that the goals have been consistently met or exceeded since 1999. However, while the overall goal has been met, a number of properties have little or no goal achievement. This occurred primarily because many of these properties are in relatively small communities, and the primary contractible opportunity is for shared ride transit. Due to the size of these communities, there is usually only one provider that can submit a proposal. Simply put, if the local taxi company is owned by a woman or a minority and is certified as a DBE, that provider easily meets its goal, and if the taxi company is not certified, the goal is not met. Since this variable has a huge impact on meeting the statewide goal, and since there are sufficient DBEs for the goal to be achieved statewide, and since there is essentially a lack of competition in the communities where DBEs are certified, in that only local companies can be competitive on these contracts, WisDOT has decided to utilize entirely race neutral means to achieve this goal.

Thus our goal will be set at 9.6%, composed of 0% race conscious and 9.6% race neutral.

As stated above, despite the fact that WisDOT has consistently met the statewide goal, a number of properties did not achieve any DBE participation. This is primarily a result of the DBE/nonDBE status of the local taxi provider, although a limited number of small opportunities exist in such areas as parts and accounting. In order to broaden the base of DBE participation, WisDOT will take the following steps next year: We will market the DBE Program by encouraging use of DBEs when we meet individually with Transit Properties and we will ask them to encourage any firms they do business with to seek certification if they are eligible.

Based upon this data and other factors, it is reasonable to expect that the overall goal of 9.6% for FFY 2003 not be changed from FFY02.

Only for DBE Office Staff
Appendix page:

Note by JCC: the good faith waiver factor is computed as follows:

Total "as let" dollars to DBEs=A

Total "as let" dollars to DBEs waived=B

$(A)/(A+B)$ =Good faith factor

The good faith factor is then multiplied by the dollars remaining in "as let" contracts for which a Commitment form has not been returned, as well as the estimated dollars in projects not yet let, to determine an estimate of DBE achievement for the remainder of the fiscal year. For this year, the good faith factor is:

A=\$25,448,522

B=\$5,761,555

Factor= $23,681,602/(23,681,602+5,734,480)=0.805$

Remaining dollars to DBE firms based on let projects and projections for July, August and September:
\$8,347,632

$8,347,632 \times 0.805 = \$6,719,803$

$P5 = \text{projected \$ to DBEs} = 25,448,522 + 6,719,803 = 32,168,325$

$\text{Good Faith Factor} = 8,347,632 - 6,719,803 = 1,627,829$

The overall goal for FHWA is computed as a composite of the goals for Contracting, consulting and enhancement projects. We have computed the FHWA overall goal for FFY 2003 as follows:

HIGHWAY CONSTRUCTION GOAL * CONSTRUCTION \$ = A
 $\$378\text{M} \times .087 = \32.9M

CONSULTANT CONTRACT GOAL X CONSTRUCTION \$ = B
 $\$67.5\text{M} \times .135 = \9.1M

ENHANCEMENT GOAL X ENHANCEMENT \$ = C
 $\$9.2\text{M} \times .118 = \1.08M

OVERALL GOAL = $A+B+C/\text{HWY CONST\$}+\text{CONS\$}+\text{ENHANCEMENT\$}$
 $32.9+9.1+1.08/378+67.5+9.2=43.02/454.7=9.5\%$

RC = $378 \times .077 = 29.106$

$67.5 \times .045 = 3.0375$

$9.2 \times .054 = .4968$

SUM OF ALL = $32.6403/454.7 = 7.2\%$

RN = GOAL- RC

$2.3\% = 9.5\% - 7.2\%$

FEDERAL AVIATION ADMINISTRATION GOALS FOR 2003

Austin Straubel International Airport Green Bay, Wisconsin

See attachment A for a list of projects that are programmed for Austin Straubel International Airport for Federal Fiscal Year 2003.

PROCESS FOR GOAL SETTING

In keeping with our past tradition, we utilized a collaborative and inclusive approach to formulating a goal setting methodology. We included the two industry stakeholders, the Wisconsin Transportation Builders Association (WTBA) and the National Association of Minority Contractors (NAMC-WIS) in developing a goal setting methodology. In addition, approval of the methodology and the final goal was provided by TRANS-AC, the Advisory Committee that traditionally has provided guidance and advice to the Secretary of Transportation on DBE issues.

GOAL SETTING METHODOLOGY

Calculation Of Goal For Austin Straubel International Airport

STEP 1 DETERMINATION OF RELATIVE AVAILABILITY OF DBE FIRMS FOR CONSTRUCTION

To calculate the relative availability of ready, willing and able DBE firms, we employed the methods used by the WisDOT to establish a statewide “pool” of DBE firms doing business in Wisconsin. This number was 195. This number was then compared to those DBE firms doing aviation related business in Wisconsin, as determined by reviewing SIC codes. This latter number is 68 firms. This figure does not include DBE firms who perform work in steel erection, bridge construction, bridge painting or drilling. A similar selection criterion yielded 686 non-DBE firms.

This methodology yielded a statewide total of 68 DBE firms and 686 non-DBE firms doing aviation related business, and these were the numbers used for the block grant calculations because of the statewide impact of the block grant construction program. These numbers were further modified using the Directory of Eligible DBE Firms to determine which firms provide services to the area served by the airport.

Based on information provided in the DBE Directory, 81% of **all** the DBE firms state that they provide services to the Brown County area. This yields a number of 55 DBE firms who are ready, willing and able to provide services to the Austin Straubel International Airport.

The non-DBE contractors who work on highway and other transportation facilities, are the same contractors who work on airport projects. By virtue of their having submitted financial data needed to pre-qualify their firms for work in Wisconsin, they have indicated that they are ready, willing and able to provide services **statewide**.

Application of this methodology for calculating a base figure yields the following results:

$$\frac{55 \text{ DBE firms}}{55 \text{ DBE firms} + 686 \text{ non-DBE firms}} = \frac{55}{741} = 7.4\%$$

We will use this figure as our Step 1 Determination for Construction.

When we resubmitted our goals for FFY 2002 in April 2002, we conducted a review of all firms, both DBE and non-DBE, which perform work on airport projects. Because these numbers were so recently reviewed, they are considered to be current and have not been reviewed for this submission.

Step 2 Adjustments

We will make our Step 2 adjustments based on Historical participation of DBE firms. There are no disparity studies that we are aware of for Austin Straubel International Airport Service Area, and we have no documented evidence that DBE firms form or grow at different rates than other small businesses, especially in the aeronautics industry. Therefore we will focus on historical participation.

We looked at DBE Participation in previous years. Our DBE Achievement History for the past **five** years is summarized as follows:

Construction				
FFY	Total Federal \$	DBE Achievement \$	Overall Assigned Goal	Percent Achieved
1998	\$3,364,838	\$175,586	10.6%	5.2%
1999	\$0	\$0	0%	0.0%
2000	\$3,357,729	\$101,338	6.0%	3.0%
2001	\$4,403,998	\$167,471	7.1%	3.8%
2002	NO PROJECTS	N/A	N/A	N/A
Average DBE Participation Median	\$11,126,565	\$444,395	7.8%	4.0% 3.8%

From this data we adjusted our base percentage as follows:

The Base Percentage of 7.4% was averaged with the Median DBE Achievement of 3.8% to yield a goal of 5.6% for **2003** Construction.

Since 1999, we have placed a 2/3 race conscious component on our projects. However, the goal has not been met in any of those years, and we are therefore raising the race conscious portion of the goal. We will retain 1% as a race neutral component in order to provide some incentive for voluntary participation.

Thus our goal for FFY 2003 will be 5.6%, broken down to 4.6% race conscious and 1% race neutral.

STEP 1 DETERMINATION OF RELATIVE AVAILABILITY OF DBE FIRMS FOR CONSULTANTS

To calculate the relative availability of ready, willing and able DBE **consultant** firms, we employed the methods used by the WisDOT to establish a statewide “pool” of DBE firms doing business in Wisconsin. This number was 17 firms. This number was reduced to those DBE firms doing **aviation related** business in Wisconsin. This latter number is 12 firms.

This methodology yielded a statewide total of 12 DBE firms and 93 non-DBE firms doing aviation related business in Wisconsin. These numbers were further modified using the Directory of Eligible DBE Firms to determine which firms provide services to the area served by the airport.

Based on information provided in the DBE Directory, 94% of all DBE firms service the Brown County Area. It follows that 94% of DBE firms provide consultant services to the Brown County Area. This yields a number of 11 DBE firms who are ready, willing and able to provide services to the Austin Straubel International Airport.

Application of this methodology for calculating a base figure yields the following results:

$$\frac{11 \text{ DBE firms}}{11 \text{ DBE firms} + 93 \text{ non-DBE firms}} = \frac{11}{104} = 10.6\%$$

We will use this figure as our Step 1 Determination for Consultants.

Step 2 Adjustments

We will make our Step 2 adjustments based on Historical participation of DBE firms. There are no disparity studies that we are aware of for Austin Straubel International Airport Service Area, and we have no documented evidence that DBE firms form or grow at different rates than other small business, especially in the aeronautics industry. Therefore we will focus on historical participation.

We looked at DBE Participation in previous years. Our DBE Achievement History for the past four years is summarized as follows:

Consultants					
FFY	Total Federal \$	DBE Achievement \$	Overall Assigned Goal	Percent Achieved	
1998	\$169,319	\$11,058	10.6%	6.5%	
1999	\$0	\$0	0%	0.0%	
2000	\$273,400	\$12,655	6.0%	4.6%	
2001	\$307,365	\$4,950	7.1%	1.6%	
2002	No projects	N/A	N/A	N/A	
Average DBE Participation Median	\$750,084	\$28,663		3.8% 4.6%	

From this data we adjusted our base percentage as follows:

The Base Percentage of 10.6% was averaged with the Median DBE Achievement of 4.6% to yield a goal of 7.6% for 2003 Consultant.

This goal will be achieved by 2/3 Race and Gender Conscious Goals and 1/3 Race and Gender Neutral Participation.

Thus our goal is 7.6%, broken down to 5.1% Race and Gender Conscious and 2.5% Race and Gender Neutral.

COMPUTATION OF COMBINED GOAL:

We will assume that consultant management costs will average 7.5% of total contract costs. Thus our combined goal is

$$\begin{aligned}
 & (.925 \times \text{Construction Goal}) + (.075 \times \text{Consultant Goal}) \\
 & (.925 \times 5.6) + (.075 \times 7.6) = 5.8\%
 \end{aligned}$$

The Race Conscious goal is

$$\begin{aligned}
 & (.925 \times \text{Construction Goal}) + (.075 \times \text{Race and Gender Conscious Consultant Goal}) \\
 & (.925 \times 4.6) + (.075 \times 5.1) = 4.6\%
 \end{aligned}$$

And the Race and Gender Neutral Goal is

$$\begin{aligned}
 & (\text{Combined goal} - \text{Combined Race and Gender Conscious goal}) \\
 & 5.8\% - 4.6\% = 1.2\%
 \end{aligned}$$

FEDERAL AVIATION ADMINISTRATION GOALS FOR 2003

Chippewa Valley Regional Airport Eau Claire, Wisconsin

See attachment B a list of projects that are programmed for Chippewa Valley Regional Airport for Federal Fiscal Year 2002

PROCESS FOR GOAL SETTING

In keeping with our past tradition, we utilized a collaborative and inclusive approach to formulating a goal setting methodology. We included the two industry stakeholders, the Wisconsin Transportation Builders Association (WTBA) and the National Association of Minority Contractors (NAMC-WIS) in developing a goal setting methodology. In addition, approval of the methodology and the final goal was provided by TRANS-AC, the Advisory Committee which traditionally has provided guidance and advice to the Secretary of Transportation on DBE issues.

GOAL SETTING METHODOLOGY

Calculation Of Goal For Chippewa Valley Regional Airport

STEP 1 DETERMINATION OF RELATIVE AVAILABILITY OF DBE FIRMS FOR CONSTRUCTION

To calculate the relative availability of ready, willing and able DBE firms, we employed the methods used by the WisDOT to establish a statewide “pool” of DBE firms doing business in Wisconsin. This number was 195. This number was then compared to those DBE firms doing aviation related business in Wisconsin, as determined by reviewing SIC codes. This latter number is 68 firms. This figure does not include DBE firms who perform work in steel erection, bridge construction, bridge painting or drilling. A similar selection criteria yielded 686 non-DBE firms.

This methodology yielded a statewide total of 68 DBE firms and 686 non-DBE firms doing aviation related business, and these were the numbers used for the block grant calculations because of the statewide impact of the block grant construction program. These numbers were further modified using the Directory of Eligible DBE Firms to determine which firms provide services to the area served by the airport.

Based on information provided in the DBE Directory, 76% of **all** the DBE firms state that they provide services to the Chippewa County area. This yields a number of 52 DBE firms who are ready, willing and able to provide services to the Chippewa Valley Regional Airport.

The non-DBE contractors who work on highway and other transportation facilities, are the same contractors who work on airport projects. By virtue of their having submitted financial data needed to pre-qualify their firms for work in Wisconsin, they have indicated that they are ready, willing and able to provide services **statewide**.

Application of this methodology for calculating a base figure yields the following results:

$$\frac{52 \text{ DBE firms}}{52 \text{ DBE firms} + 686 \text{ non-DBE firms}} = \frac{52}{738} = 7.0\%$$

We will use this figure as our Step 1 Determination for Construction.

When we resubmitted our goals for FFY 2002 in April 2002, we conducted a review of all firms, both DBE and non-DBE, which perform work on airport projects. Because these numbers were so recently reviewed, they are considered to be current and have not been reviewed for this submission.

Step 2 Adjustments

We will make our Step 2 adjustments based on Historical participation of DBE firms. There are no disparity studies that we are aware of for Chippewa Valley Regional Airport Service Area, and we have no documented evidence that DBE firms form or grow at different rates than other small businesses, especially in the aeronautics industry. Therefore we will focus on historical participation.

We looked at DBE Participation in previous years. Our DBE Achievement History for the past **five** years is summarized as follows:

Construction					
FFY	Total Federal \$	DBE Achievement \$	Overall Assigned Goal	Percent Achieved	
1998	\$0	\$	8.9%	0%	
1999	\$0	\$0	0%	0%	
2000	\$829,090	\$78,206	6%	9.4%	
2001	\$488,733	\$78,457	9.6%	16.0%	
2002	\$1,567,430	106,075	6%	6.1%	
Average DBE Participation Median	\$2,885,253	\$262,738	6.6%	9.1%	
				6.1%	

From this data we adjusted our base percentage as follows:

The Base Percentage of 7.0% was averaged with the Median DBE Achievement of **6.1%** to yield a goal of **6.6%** for **2003** Construction.

Since 1999, we have split our goals between 2/3 race conscious and 1/3 race neutral. For the past two years, however, goal achievement has substantially exceeded assignments. For this reason, we will assign goals based on 1/3 race conscious and 2/3 race neutral.

Thus the goal for FFY 2003 will be 6.6%, broken down into 2.2% Race Conscious and 4.4% Race Neutral.

STEP 1 DETERMINATION OF RELATIVE AVAILABILITY OF DBE FIRMS FOR CONSULTANTS

To calculate the relative availability of ready, willing and able DBE **consultant** firms, we employed the methods used by the WisDOT to establish a statewide “pool” of DBE firms doing business in Wisconsin. This number was 17 firms. This number was reduced to those DBE firms doing **aviation related** business in Wisconsin. This latter number is 12 firms.

This methodology yielded a statewide total of 11 DBE firms and 93 non-DBE firms doing aviation related business in Wisconsin. These numbers were further modified using the Directory of Eligible DBE Firms to determine which firms provide services to the area served by the airport.

Based on information provided in the DBE Directory, 91% of all DBE firms service the Chippewa County Area. It follows that 91% of DBE firms provide consultant services to the Chippewa County Area. This yields a number of 11 DBE firms who are ready, willing and able to provide services to the Chippewa Valley Regional Airport.

Application of this methodology for calculating a base figure yields the following results:

$$\frac{11 \text{ DBE firms}}{11 \text{ DBE firms} + 93 \text{ non-DBE firms}} = \frac{11}{104} = 10.6\%$$

We will use this figure as our Step 1 Determination for Consultants.

Step 2 Adjustments

We will make our Step 2 adjustments based on Historical participation of DBE firms. There are no disparity studies that we are aware of for Chippewa Valley Regional Airport Service Area, and we have no documented evidence that DBE firms form or grow at different rates than other small business, especially in the aeronautics industry. Therefore we will focus on historical participation.

We looked at DBE Participation in previous years. Our DBE Achievement History for the past four years is summarized as follows:

Consultants					
FFY	Total Federal \$	DBE Achievement \$	Overall Assigned Goal	Percent Achieved	
1998	\$59,670	\$9,730	11.6%	16.3%	
1999	\$0	\$0	0%	0%	
2000	\$142,158	\$7,134	9.7%	5.0%	
2001	\$67,812	\$4,500	9.6%	6.6%	
2002	No projects	N/A	N/A	N/A	
Average DBE Participation Median	\$269,640	\$21,364		7.9% 6.6%	

From this data we adjusted our base percentage as follows:

The Base Percentage of 10.6% was averaged with the Median DBE Achievement of 6.6% to yield a goal of 8.6% for 2003 Consultant.

This goal will be achieved by 2/3 Race and Gender Conscious Goals and 1/3 Race and Gender Neutral Participation.

Thus our goal is 8.6%, broken down to 5.7% Race and Gender Conscious and 2.9% Race and Gender Neutral.

COMPUTATION OF COMBINED GOAL:

We will assume that consultant management costs will average 7.5% of total contract costs. Thus our combined goal is

$$\begin{aligned}
 & (.925 \times \text{Construction Goal}) + (.075 \times \text{Consultant Goal}) \\
 & (.925 \times 6.6) + (.075 \times 8.6) = 6.75\%
 \end{aligned}$$

The Race and Gender Conscious goal is

$$\begin{aligned}
 & (.925 \times \text{Construction Goal}) + (.075 \times \text{Race and Gender Neutral Consultant Goal}) \\
 & (.925 \times 2.2) + (.075 \times 5.7) = 2.45\%
 \end{aligned}$$

And the Race and Gender Neutral Goal is

$$\begin{aligned}
 & (\text{Combined goal} - \text{Combined Race and Gender Conscious goal}) \\
 & 6.75\% - 2.45\% = 4.3\%
 \end{aligned}$$

FEDERAL AVIATION ADMINISTRATION GOALS FOR 2003

Central Wisconsin Airport Mosinee, Wisconsin

See attachment C for a list of projects that are programmed for Central Wisconsin Airport for Federal Fiscal Year 2003.

PROCESS FOR GOAL SETTING

In keeping with our past tradition, we utilized a collaborative and inclusive approach to formulating a goal setting methodology. We included the two industry stakeholders, the Wisconsin Transportation Builders Association (WTBA) and the National Association of Minority Contractors (NAMC-WIS) in developing a goal setting methodology. In addition, approval of the methodology and the final goal was provided by TRANS-AC, the Advisory Committee which traditionally has provided guidance and advice to the Secretary of Transportation on DBE issues.

GOAL SETTING METHODOLOGY

Calculation Of Goal For Central Wisconsin Airport

STEP 1 DETERMINATION OF RELATIVE AVAILABILITY OF DBE FIRMS FOR CONSTRUCTION

To calculate the relative availability of ready, willing and able DBE firms, we employed the methods used by the WisDOT to establish a statewide “pool” of DBE firms doing business in Wisconsin. This number was 195. This number was then compared to those DBE firms doing aviation related business in Wisconsin, as determined by reviewing SIC codes. This latter number is 68 firms. This figure does not include DBE firms who perform work in steel erection, bridge construction, bridge painting or drilling. A similar selection criteria yielded 686 non-DBE firms.

This methodology yielded a statewide total of 68 DBE firms and 686 non-DBE firms doing aviation related business, and these were the numbers used for the block grant calculations because of the statewide impact of the block grant construction program. These numbers were further modified using the Directory of Eligible DBE Firms to determine which firms provide services to the area served by the airport.

Based on information provided in the DBE Directory, 83% of **all** the DBE firms state that they provide services to the Marathon County area. This yields a number of 56 DBE firms who are ready, willing and able to provide services to the Central Wisconsin Airport.

The non-DBE contractors who work on highway and other transportation facilities, are the same contractors who work on airport projects. By virtue of their having submitted financial data needed to pre-qualify their firms for work in Wisconsin, they have indicated that they are ready, willing and able to provide services **statewide**.

Application of this methodology for calculating a base figure yields the following results:

$$\frac{56 \text{ DBE firms}}{56 \text{ DBE firms} + 686 \text{ non-DBE firms}} = \frac{55}{742} = 7.4\%$$

We will use this figure as our Step 1 Determination for Construction.

When we resubmitted our goals for FFY 2002 in April 2002, we conducted a review of all firms, both DBE and non-DBE, which perform work on airport projects. Because these numbers were so recently reviewed, they are considered to be current and have not been reviewed for this submission.

Step 2 Adjustments

We will make our Step 2 adjustments based on Historical participation of DBE firms. There are no disparity studies that we are aware of for Central Wisconsin Airport Service Area, and we have no documented evidence that DBE firms form or grow at different rates than other small businesses, especially in the aeronautics industry. Therefore we will focus on historical participation.

We looked at DBE Participation in previous years. Our DBE Achievement History for the past **five** years is summarized as follows:

Construction					
FFY	Total Federal \$	DBE Achievement \$	Overall Assigned Goal	Percent Achieved	
1998	\$0	\$0	9.2%	0%	
1999	\$364,358	\$36,284	9.46%	10.0%	
2000	\$470,092	\$14,229	6%	3.0%	
2001	\$673,164	\$48,802	4.48%	7.2%	
2002	\$630,260	\$17,447	2.6%	2.49%	
Average DBE Participation	\$2,137,874	\$116,762	5.1%	5.5%	
Median				(7.2 + 3.0) ÷ 2 = 5.1%	

From this data we adjusted our base percentage as follows:

The Base Percentage of 7.4% was averaged with the Median DBE Achievement of **5.1%** to yield a goal of **6.3% for 2003 Construction**.

Since 1999, we have set our goal using a combination of 2/3 Race Conscious and 1/3 Race Neutral means. A review of our historical data indicates that we have been very close to the goal for two years, have exceeded it once, and fallen under the goal once. Thus we have no clear pattern that could justify a revision to the goal. For this reason, we will continue the split determined in 1999.

Thus our goal will be 6.3%, broken down into 4.2% Race and Gender Conscious and 2.1% Race and Gender Neutral means.

STEP 1 DETERMINATION OF RELATIVE AVAILABILITY OF DBE FIRMS FOR CONSULTANTS

To calculate the relative availability of ready, willing and able DBE **consultant** firms, we employed the methods used by the WisDOT to establish a statewide “pool” of DBE firms doing business in Wisconsin. This number was 17 firms. This number was reduced to those DBE firms doing **aviation related** business in Wisconsin. This latter number is 12 firms.

This methodology yielded a statewide total of 11 DBE firms and 93 non-DBE firms doing aviation related business in Wisconsin. These numbers were further modified using the Directory of Eligible DBE Firms to determine which firms provide services to the area served by the airport.

Based on information provided in the DBE Directory, 93% of all DBE firms service the Marathon County Area. It follows that 93% of DBE firms provide consultant services to the Marathon County Area. This yields a number of 11 DBE firms who are ready, willing and able to provide services to the Central Wisconsin Airport.

Application of this methodology for calculating a base figure yields the following results:

$$\frac{11 \text{ DBE firms}}{11 \text{ DBE firms} + 93 \text{ non-DBE firms}} = \frac{11}{104} = 10.6\%$$

We will use this figure as our Step 1 Determination for Consultants.

Step 2 Adjustments

We will make our Step 2 adjustments based on Historical participation of DBE firms. There are no disparity studies that we are aware of for Central Wisconsin Airport Service Area, and we have no documented evidence that DBE firms form or grow at different rates than other small business, especially in the aeronautics industry. Therefore we will focus on historical participation.

We looked at DBE Participation in previous years. Our DBE Achievement History for the past four years is summarized as follows:

Consultants					
FFY	Total Federal \$	DBE Achievement \$	Overall Assigned Goal	Percent Achieved	
1998	\$0	\$0	9.2%	0%	
1999	\$0	\$0	9.46%	0%	
2000	\$0	\$0	6.0%	0%	
2001	63,243	\$0	4.48%	0%	
2002	No projects	N/A	N/A	N/A	N/A
Average DBE Participation Median	\$63,243	\$0		0%	0%

From this data we adjusted our base percentage as follows:

The Base Percentage of 10.6% was averaged with the Median DBE Achievement of 0% to yield a goal of 5.3% for 2003 Consultant.

This goal will be achieved by 2/3 Race and Gender Conscious Goals and 1/3 Race and Gender Neutral Participation.

Thus our goal is 5.3%, broken down to 3.5% Race and Gender Conscious and 1.8% Race and Gender Neutral.

COMPUTATION OF COMBINED GOAL:

We will assume that consultant management costs will average 7.5% of total contract costs. Thus our combined goal is

$$\begin{aligned}
 & (.925 \times \text{Construction Goal}) + (.075 \times \text{Consultant Goal}) \\
 & (.925 \times 6.3) + (.075 \times 5.3) = 6.2\%
 \end{aligned}$$

The Race and Gender Conscious goal is

$$\begin{aligned}
 & (.925 \times \text{Construction Goal}) + (.075 \times \text{Race and Gender Conscious Consultant Goal}) \\
 & (.925 \times 4.2) + (.075 \times 3.5) = 4.1\%
 \end{aligned}$$

And the Race and Gender Neutral Goal is

$$\begin{aligned}
 & (\text{Combined goal} - \text{Combined Race and Gender Conscious goal}) \\
 & 6.2\% - 4.1\% = 2.1\%
 \end{aligned}$$

FEDERAL AVIATION ADMINISTRATION GOALS FOR 2003

Dane County Regional Airport Madison, Wisconsin

See attachment D for a list of projects that are programmed for Dane County Regional Airport for Federal Fiscal Year 2003.

PROCESS FOR GOAL SETTING

In keeping with our past tradition, we utilized a collaborative and inclusive approach to formulating a goal setting methodology. We included the two industry stakeholders, the Wisconsin Transportation Builders Association (WTBA) and the National Association of Minority Contractors (NAMC-WIS) in developing a goal setting methodology. In addition, approval of the methodology and the final goal was provided by TRANS-AC, the Advisory Committee which traditionally has provided guidance and advice to the Secretary of Transportation on DBE issues.

GOAL SETTING METHODOLOGY

Calculation Of Goal For Dane County Regional Airport

STEP 1 DETERMINATION OF RELATIVE AVAILABILITY OF DBE FIRMS FOR CONSTRUCTION

To calculate the relative availability of ready, willing and able DBE firms, we employed the methods used by the WisDOT to establish a statewide “pool” of DBE firms doing business in Wisconsin. This number was 195. This number was then compared to those DBE firms doing aviation related business in Wisconsin, as determined by reviewing SIC codes. This latter number is 68 firms. This figure does not include DBE firms who perform work in steel erection, bridge construction, bridge painting or drilling. A similar selection criteria yielded 686 non-DBE firms.

This methodology yielded a statewide total of 68 DBE firms and 686 non-DBE firms doing aviation related business, and these were the numbers used for the block grant calculations because of the statewide impact of the block grant construction program. These numbers were further modified using the Directory of Eligible DBE Firms to determine which firms provide services to the area served by the airport.

Based on information provided in the DBE Directory, 85% of **all** the DBE firms state that they provide services to the Dane County area. This yields a number of 58 DBE firms who are ready, willing and able to provide services to the Dane County Regional Airport.

The non-DBE contractors, who work on highway and other transportation facilities, are the same contractors who work on airport projects. By virtue of their having submitted financial data needed to pre-qualify their firms for work in Wisconsin, they have indicated that they are ready, willing and able to provide services **statewide**.

Application of this methodology for calculating a base figure yields the following results:

$$\frac{58 \text{ DBE firms}}{58 \text{ DBE firms} + 686 \text{ non-DBE firms}} = \frac{58}{744} = 7.8\%$$

We will use this figure as our Step 1 Determination for Construction.

When we resubmitted our goals for FFY 2002 in April 2002, we conducted a review of all firms, both DBE and non-DBE, which perform work on airport projects. Because these numbers were so recently reviewed, they are considered current and have not been reviewed for this submission.

Step 2 Adjustments

We will make our Step 2 adjustments based on Historical participation of DBE firms. There are no disparity studies that we are aware of for Dane County Regional Airport Service Area, and we have no documented evidence that DBE firms form or grow at different rates than other small businesses, especially in the aeronautics industry. Therefore we will focus on historical participation.

We looked at DBE Participation in previous years. Our DBE Achievement History for the past **five** years is summarized as follows:

Construction					
FFY	Total Federal \$	DBE Achievement \$	Overall Assigned Goal	Percent Achieved	
1998	\$0	\$	0%	0%	
1999	\$686,997	\$0	10%	0%	
2000	\$3,520,000	\$157,643	1.4%	4.5%	
2001	\$7,003,203	\$483,516	5.6%	6.9%	
2002	NO PROJECTS	N/A	N/A	N/A	
Average DBE Participation	\$11,210,200	\$641,159	3.5%	5.7%	
Median				(4.5+ 6.9) ÷2 + 5.6	

From this data we adjusted our base percentage as follows:

The Base Percentage of 7.8% was averaged with the Median DBE Achievement of 5.7% to yield a goal of 6.8% for **2003** Construction.

Since 1999, we have assigned goals on the basis of 2/3 Race Conscious and 1/3 Race Neutral. The last two years, these goals have been exceeded, although they were not met in 1999. Taking all of these factors into account, we have determined that a 50% split is appropriate.

Thus our goal will be 6.8%, broken down as 3.4% Race Conscious and 3.4% race Neutral.

STEP 1 DETERMINATION OF RELATIVE AVAILABILITY OF DBE FIRMS FOR CONSULTANTS

To calculate the relative availability of ready, willing and able DBE **consultant** firms, we employed the methods used by the WisDOT to establish a statewide “pool” of DBE firms doing business in Wisconsin. This number was 17 firms. This number was reduced to those DBE firms doing **aviation related** business in Wisconsin. This latter number is 12 firms.

This methodology yielded a statewide total of 11 DBE firms and 93 non-DBE firms doing aviation related business in Wisconsin. These numbers were further modified using the Directory of Eligible DBE Firms to determine which firms provide services to the area served by the airport.

Based on information provided in the DBE Directory, 97% of all DBE firms service the Dane County Area. It follows that 97% of DBE firms provide consultant services to the Dane County Area. This yields a number of 11 DBE firms who are ready, willing and able to provide services to the Dane County Regional Airport.

Application of this methodology for calculating a base figure yields the following results:

$$\frac{11 \text{ DBE firms}}{11 \text{ DBE firms} + 93 \text{ non-DBE firms}} = \frac{11}{104} = 10.6\%$$

We will use this figure as our Step 1 Determination for Consultants.

Step 2 Adjustments

We will make our Step 2 adjustments based on Historical participation of DBE firms. There are no disparity studies that we are aware of for Dane County Regional Airport Service Area, and we have no documented evidence that DBE firms form or grow at different rates than other small business, especially in the aeronautics industry. Therefore we will focus on historical participation.

We looked at DBE Participation in previous years. Our DBE Achievement History for the past four years is summarized as follows:

Consultants					
FFY	Total Federal \$	DBE Achievement \$	Overall Assigned Goal	Percent Achieved	
1998	\$0	\$0	0%	0%	
1999	\$272,899	\$27,290	10.0%	10.0%	
2000	\$0	\$0	1.4%	0%	
2001	\$779,509	\$30,921	5.6%	4.0%	
Average DBE Participation	\$1,052,408	\$58,211		5.5%	
Median				(10.0 + 4) ÷ 2 = 7.0	

From this data we adjusted our base percentage as follows:

The Base Percentage of 10.6% was averaged with the Median DBE Achievement of 7.0% to yield a goal of 8.8% for 2003 Consultant.

This goal will be achieved by 2/3 Race and Gender Conscious Goals and 1/3 Race and Gender Neutral Participation.

Thus our goal is 8.8%, broken down to 5.9% Race and Gender Conscious and 2.9% Race and Gender Neutral.

At this time we do not believe there will be any projects that require consultant participation. Thus consultant no goal is set at this time.

COMPUTATION OF COMBINED GOAL:

In view of the consultant goal being unneeded, our goal for Dane County Airport is the same as the construction goal, or 6.8%, broken down as 3.4% race and gender conscious and 3.4% race and gender neutral.

FEDERAL AVIATION ADMINISTRATION GOALS FOR 2003

LaCrosse Municipal Airport LaCrosse, Wisconsin

See attachment E for a list of projects that are programmed for LaCrosse Municipal Airport for Federal Fiscal Year 2003.

PROCESS FOR GOAL SETTING

In keeping with our past tradition, we utilized a collaborative and inclusive approach to formulating a goal setting methodology. We included the two industry stakeholders, the Wisconsin Transportation Builders Association (WTBA) and the National Association of Minority Contractors (NAMC-WIS) in developing a goal setting methodology. In addition, approval of the methodology and the final goal was provided by TRANS-AC, the Advisory Committee which traditionally has provided guidance and advice to the Secretary of Transportation on DBE issues.

GOAL SETTING METHODOLOGY

Calculation Of Goal For LaCrosse Municipal Airport

STEP 1 DETERMINATION OF RELATIVE AVAILABILITY OF DBE FIRMS FOR CONSTRUCTION

To calculate the relative availability of ready, willing and able DBE firms, we employed the methods used by the WisDOT to establish a statewide “pool” of DBE firms doing business in Wisconsin. This number was 195. This number was then compared to those DBE firms doing aviation related business in Wisconsin, as determined by reviewing SIC codes. This latter number is 68 firms. This figure does not include DBE firms who perform work in steel erection, bridge construction, bridge painting or drilling. A similar selection criteria yielded 686 non-DBE firms.

This methodology yielded a statewide total of 68 DBE firms and 686 non-DBE firms doing aviation related business, and these were the numbers used for the block grant calculations because of the statewide impact of the block grant construction program. These numbers were further modified using the Directory of Eligible DBE Firms to determine which firms provide services to the area served by the airport.

Based on information provided in the DBE Directory, 75% of **all** the DBE firms state that they provide services to the LaCrosse County area. This yields a number of 51 DBE firms who are ready, willing and able to provide services to the LaCrosse Municipal Airport.

The non-DBE contractors who work on highway and other transportation facilities, are the same contractors who work on airport projects. By virtue of their having submitted financial data needed to pre-qualify their firms for work in Wisconsin, they have indicated that they are ready, willing and able to provide services **statewide**.

Application of this methodology for calculating a base figure yields the following results:

$$\frac{51 \text{ DBE firms}}{51 \text{ DBE firms} + 686 \text{ non-DBE firms}} = \frac{51}{737} = 6.9\%$$

We will use this figure as our Step 1 Determination for Construction.

When we resubmitted our goals for FFY 2002 in April 2002, we conducted a review of all firms, both DBE and non-DBE, which perform work on airport projects. Because these numbers were so recently reviewed, they are considered to be current and have not been reviewed for this submission.

Step 2 Adjustments

We will make our Step 2 adjustments based on Historical participation of DBE firms. There are no disparity studies that we are aware of for LaCrosse Municipal Airport Service Area, and we have no documented evidence that DBE firms form or grow at different rates than other small businesses, especially in the aeronautics industry. Therefore we will focus on historical participation.

We looked at DBE Participation in previous years. Our DBE Achievement History for the past four years is summarized as follows:

Construction				
FFY	Total Federal \$	DBE Achievement \$	Overall Assigned Goal	Percent Achieved
1998	\$3,604,419	\$58,890	10.2%	1.6%
1999	\$1,044,007	\$80,840	10.1%	7.7%
2000	\$239,950	\$0	6.0%	0%
2001	\$2,564,838	\$108,463	7.5%	4.2%
2002	\$430,200	\$14,632	3.4%	3.4%
Average DBE Participation	\$7,883,414	\$262,825	8.8%	3.3%
Median				3.4%

From this data we adjusted our base percentage as follows:

The Base Percentage of 6.9% was averaged with the calculated Average DBE Achievement of 3.4% to yield a goal of 5.2% for **2003** Construction.

Since 1999, we have maintained a breakdown of 2/3 Race Conscious and 1/3 Race Neutral for our goal. However, with the exception of last year, our goal has not been met. For this reason, we will modify our proportions to require 4.2% Race Conscious and 1.0 % Race neutral.

STEP 1 DETERMINATION OF RELATIVE AVAILABILITY OF DBE FIRMS FOR CONSULTANTS

To calculate the relative availability of ready, willing and able DBE **consultant** firms, we employed the methods used by the WisDOT to establish a statewide “pool” of DBE firms doing business in Wisconsin. This number was 17 firms. This number was reduced to those DBE firms doing **aviation related** business in Wisconsin. This latter number is 12 firms.

This methodology yielded a statewide total of 12 DBE firms and 93 non-DBE firms doing aviation related business in Wisconsin. These numbers were further modified using the Directory of Eligible DBE Firms to determine which firms provide services to the area served by the airport.

Based on information provided in the DBE Directory, 91% of all DBE firms service the LaCrosse County Area. It follows that 91% of DBE firms provide consultant services to the LaCrosse County Area. This yields a number of 11 DBE firms who are ready, willing and able to provide services to the LaCrosse Municipal Airport.

Application of this methodology for calculating a base figure yields the following results:

$$\frac{11 \text{ DBE firms}}{11 \text{ DBE firms} + 93 \text{ non-DBE firms}} = \frac{11}{104} = 10.6\%$$

We will use this figure as our Step 1 Determination for Consultants.

Step 2 Adjustments

We will make our Step 2 adjustments based on Historical participation of DBE firms. There are no disparity studies that we are aware of for LaCrosse Municipal Airport Service Area, and we have no documented evidence that DBE firms form or grow at different rates than other small business, especially in the aeronautics industry. Therefore we will focus on historical participation.

We looked at DBE Participation in previous years. Our DBE Achievement History for the past four years is summarized as follows:

Consultants					
FFY	Total Federal \$	DBE Achievement \$	Overall Assigned Goal	Percent Achieved	
1998	\$200,606	\$15,120	10.2%	7.5%	
1999	\$77,996	\$5,085	10.1%	6.5%	
2000	\$48,150	\$2,700	6.0%	5.6%	
2001	\$168,915	\$54,637	7.5%	32.3%	
2002	No Projects	N/A	N/A	N/A	
Average DBE Participation	\$495,667	\$77,542		15.6%	
Median				(7.5+6.5)÷2=7.0%	

From this data we adjusted our base percentage as follows:

The Base Percentage of 10.6% was averaged with the Median Average DBE Achievement of 7.0% to yield a goal of 8.8% for 2003 Consultant.

Based on the achievement on the larger project in 2001, WisDOT will set a 1/3 race and gender conscious goal and 2/3 race and gender neutral. Thus the total goal of 8.8 will be broken down to 2.9 race and gender conscious and 5.9% race and gender neutral.

COMPUTATION OF COMBINED GOAL:

We will assume that consultant management costs will average 7.5% of total contract costs. Thus our combined goal is

$$\begin{aligned}
 & (.925 \times \text{Construction Goal}) + (.075 \times \text{Consultant Goal}) \\
 & (.925 \times 5.2) + (.075 \times 8.8) = 5.5\%
 \end{aligned}$$

The Race and Gender Conscious goal is

$$\begin{aligned}
 & (.925 \times \text{Construction Goal}) + (.075 \times \text{Race and Gender Conscious Consultant Goal}) \\
 & (.925 \times 4.2) + (.075 \times 2.9) = 4.1\%
 \end{aligned}$$

And the Race and Gender Neutral Goal is

$$\begin{aligned}
 & (\text{Combined goal} - \text{Combined Race Conscious goal}) \\
 & 5.5\% - 4.1\% = 1.4\%
 \end{aligned}$$

FEDERAL AVIATION ADMINISTRATION GOALS FOR 2003

Outagamie County Regional Airport Appleton, Wisconsin

See attachment F for a list of projects that are programmed for Outagamie County Regional Airport for Federal Fiscal Year 2003.

PROCESS FOR GOAL SETTING

In keeping with our past tradition, we utilized a collaborative and inclusive approach to formulating a goal setting methodology. We included the two industry stakeholders, the Wisconsin Transportation Builders Association (WTBA) and the National Association of Minority Contractors (NAMC-WIS) in developing a goal setting methodology. In addition, approval of the methodology and the final goal was provided by TRANS-AC, the Advisory Committee which traditionally has provided guidance and advice to the Secretary of Transportation on DBE issues.

GOAL SETTING METHODOLOGY

Calculation Of Goal For Outagamie County Regional Airport

STEP 1 DETERMINATION OF RELATIVE AVAILABILITY OF DBE FIRMS FOR CONSTRUCTION

To calculate the relative availability of ready, willing and able DBE firms, we employed the methods used by the WisDOT to establish a statewide “pool” of DBE firms doing business in Wisconsin. This number was 195. This number was then compared to those DBE firms doing aviation related business in Wisconsin, as determined by reviewing SIC codes. This latter number is 68 firms. This figure does not include DBE firms who perform work in steel erection, bridge construction, bridge painting or drilling. A similar selection criteria yielded 686 non-DBE firms.

This methodology yielded a statewide total of 68 DBE firms and 686 non-DBE firms doing aviation related business, and these were the numbers used for the block grant calculations because of the statewide impact of the block grant construction program. These numbers were further modified using the Directory of Eligible DBE Firms to determine which firms provide services to the area served by the airport.

Based on information provided in the DBE Directory, 81% of **all** the DBE firms state that they provide services to the Outagamie County area. This yields a number of 55 DBE firms who are ready, willing and able to provide services to the Outagamie County Regional Airport.

The non-DBE contractors who work on highway and other transportation facilities, are the same contractors who work on airport projects. By virtue of their having submitted financial data needed to pre-qualify their firms for work in Wisconsin, they have indicated that they are ready, willing and able to provide services **statewide**.

Application of this methodology for calculating a base figure yields the following results:

$$\frac{55 \text{ DBE firms}}{55 \text{ DBE firms} + 686 \text{ non-DBE firms}} = \frac{55}{741} = 7.4\%$$

We will use this figure as our Step 1 Determination for Construction.

When we resubmitted our goals for FFY 2002 in April 2002, we conducted a review of all firms, both DBE and non-DBE, which perform work on airport projects. Because these numbers were so recently reviewed, they are considered to be current and have not been reviewed for this submission.

Step 2 Adjustments

We will make our Step 2 adjustments based on Historical participation of DBE firms. There are no disparity studies that we are aware of for Outagamie County Regional Airport Service Area, and we have no documented evidence that DBE firms form or grow at different rates than other small businesses, especially in the aeronautics industry. Therefore we will focus on historical participation.

We looked at DBE Participation in previous years. Our DBE Achievement History for the past **five** years is summarized as follows:

Construction				
FFY	Total Federal \$	DBE Achievement \$	Overall Assigned Goal	Percent Achieved
1998	\$1,192,382	\$104,879	10.4%	8.8%
1999	\$2,486,014	\$341,318	10.5%	13.7%
2000	\$0	\$0	0%	0%
2001	\$4,844,288	\$86,000	5.0%	1.8%
2002	No Federal Dollars	N/A	N/A	N/A
Average DBE Participation	\$8,522,684	\$532,197	7.4%	6.2%
Median				8.8%

From this data we adjusted our base percentage as follows:

The Base Percentage of 7.4% was averaged with the Median DBE Achievement of 8.8% to yield a goal of 8.1% for **2003** Construction.

Since 1999, we have assigned goals on the basis of 2/3 Race Conscious and 1/3 Race neutral. At this point, we do not believe our experience indicates a sufficiently clear pattern to justify modifying these proportions.

Thus our goal for FFY 2003 will be 8.1%, broken down as 5.4% Race and Gender Conscious and 2.7 % Race and Gender Neutral.

STEP 1 DETERMINATION OF RELATIVE AVAILABILITY OF DBE FIRMS FOR CONSULTANTS

To calculate the relative availability of ready, willing and able DBE **consultant** firms, we employed the methods used by the WisDOT to establish a statewide “pool” of DBE firms doing business in Wisconsin. This number was 17 firms. This number was reduced to those DBE firms doing **aviation related** business in Wisconsin. This latter number is 12 firms.

This methodology yielded a statewide total of 12 DBE firms and 93 non-DBE firms doing aviation related business in Wisconsin. These numbers were further modified using the Directory of Eligible DBE Firms to determine which firms provide services to the area served by the airport.

Based on information provided in the DBE Directory, 91% of all DBE firms service the Outagamie County Area. It follows that 91% of DBE firms provide consultant services to the Outagamie County Area. This yields a number of 11 DBE firms who are ready, willing and able to provide services to the Outagamie County Regional Airport.

Application of this methodology for calculating a base figure yields the following results:

$$\frac{11 \text{ DBE firms}}{11 \text{ DBE firms} + 93 \text{ non-DBE firms}} = \frac{11}{104} = 10.6\%$$

We will use this figure as our Step 1 Determination for Consultants.

Step 2 Adjustments

We will make our Step 2 adjustments based on Historical participation of DBE firms. There are no disparity studies that we are aware of for Outagamie County Regional Airport Service Area, and we have no documented evidence that DBE firms form or grow at different rates than other small business, especially in the aeronautics industry. Therefore we will focus on historical participation.

We looked at DBE Participation in previous years. Our DBE Achievement History for the past four years is summarized as follows:

Consultants					
FFY	Total Federal \$	DBE Achievement \$	Overall Assigned Goal	Percent Achieved	
1998	\$148,496	\$18,000	10.4%	12.12%	
1999	\$185,211	\$8,531	10.5%	4.6%	
2000	\$0	\$0	0%	0%	
2001	\$0	\$0	5.0%	0%	
2002	No Projects	N/A	N/A	N/A	
Average DBE Participation	\$333,707	\$26,531		7.6%	
Median				(12.1+4.6) ÷ 2 = 8.4%	

From this data we adjusted our base percentage as follows:

The Base Percentage of 10.6% was averaged with the Median DBE Achievement of 8.4% to yield a goal of 9.5% for 2003 Consultant.

This goal will be achieved by 2/3 Race and Gender Conscious Goals and 1/3 Race and Gender Neutral Participation.

Thus our goal is 9.5%, broken down to 6.3% Race and Gender Conscious and 3.2% Race and Gender Neutral.

COMPUTATION OF COMBINED GOAL:

We will assume that consultant management costs will average 7.5% of total contract costs. Thus our combined goal is

$$\begin{aligned}
 & (.925 \times \text{Construction Goal}) + (.075 \times \text{Consultant Goal}) \\
 & (.925 \times 8.1) + (.075 \times 9.5) = 8.2\%
 \end{aligned}$$

The Race Conscious goal is

$$\begin{aligned}
 & (.925 \times \text{Construction Goal}) + (.075 \times \text{Race and Gender Conscious Consultant Goal}) \\
 & (.925 \times 5.4) + (.075 \times 6.3) = 5.5\%
 \end{aligned}$$

And the Race and Gender Neutral Goal is

$$\begin{aligned}
 & (\text{Combined goal} - \text{Combined Race Conscious goal}) \\
 & 8.2\% - 5.5\% = 2.7\%
 \end{aligned}$$

FEDERAL AVIATION ADMINISTRATION GOALS FOR 2003

Rhinelanders-Oneida County Airport Rhinelanders, Wisconsin

See attachment G for a list of projects that are programmed for Rhinelanders-Oneida County Airport for Federal Fiscal Year 2003.

PROCESS FOR GOAL SETTING

In keeping with our past tradition, we utilized a collaborative and inclusive approach to formulating a goal setting methodology. We included the two industry stakeholders, the Wisconsin Transportation Builders Association (WTBA) and the National Association of Minority Contractors (NAMC-WIS) in developing a goal setting methodology. In addition, approval of the methodology and the final goal was provided by TRANS-AC, the Advisory Committee which traditionally has provided guidance and advice to the Secretary of Transportation on DBE issues.

GOAL SETTING METHODOLOGY

Calculation Of Goal For Rhinelander-Oneida County Airport

STEP 1 DETERMINATION OF RELATIVE AVAILABILITY OF DBE FIRMS FOR CONSTRUCTION

To calculate the relative availability of ready, willing and able DBE firms, we employed the methods used by the WisDOT to establish a statewide “pool” of DBE firms doing business in Wisconsin. This number was 195. This number was then compared to those DBE firms doing aviation related business in Wisconsin, as determined by reviewing SIC codes. This latter number is 68 firms. This figure does not include DBE firms who perform work in steel erection, bridge construction, bridge painting or drilling. A similar selection criteria yielded 686 non-DBE firms.

This methodology yielded a statewide total of 68 DBE firms and 686 non-DBE firms doing aviation related business, and these were the numbers used for the block grant calculations because of the statewide impact of the block grant construction program. These numbers were further modified using the Directory of Eligible DBE Firms to determine which firms provide services to the area served by the airport.

Based on information provided in the DBE Directory, 77% of **all** the DBE firms state that they provide services to the Oneida County area. This yields a number of 52 DBE firms who are ready, willing and able to provide services to the Rhinelander-Oneida County Airport.

The non-DBE contractors who work on highway and other transportation facilities, are the same contractors who work on airport projects. By virtue of their having submitted financial data needed to pre-qualify their firms for work in Wisconsin, they have indicated that they are ready, willing and able to provide services **statewide**.

Application of this methodology for calculating a base figure yields the following results:

$$\frac{52 \text{ DBE firms}}{52 \text{ DBE firms} + 686 \text{ non-DBE firms}} = \frac{52}{738} = 7.0\%$$

We will use this figure as our Step 1 Determination for Construction.

When we resubmitted our goals for FFY 2002 in April 2002, we conducted a review of all firms, both DBE and non-DBE, which perform work on airport projects. Because these numbers were so recently reviewed, they are considered to be current and have not been reviewed for this submission.

All firms, both DBE and non-DBE, which perform work on airport projects. Because these numbers were so recently reviewed, they are considered to be current and have not been reviewed for this submission.

Step 2 Adjustments

We will make our Step 2 adjustments based on Historical participation of DBE firms. There are no disparity studies that we are aware of for Rhinelander-Oneida County Airport Service Area, and we have no documented evidence that DBE firms form or grow at different rates than other small businesses, especially in the aeronautics industry. Therefore we will focus on historical participation.

We looked at DBE Participation in previous years. Our DBE Achievement History for the past **five** years is summarized as follows:

Construction					
FFY	Total Federal \$	DBE Achievement \$	Overall Assigned Goal	Percent Achieved	
1998	\$0	\$0	0%	0%	
1999	\$463,730	\$19,022	1.0%	4.1%	
2000	\$472,145	\$18,378	8.4	3.9	
2001	\$241,202	\$9,166	4.3%	3.8	
2003	No federal dollars	N/A	N/A	N/A	
Average DBE Participation	\$1,177,077	\$46,566	4.6%	4.0%	
Median				3.9%	

From this data we adjusted our base percentage as follows:

The Base Percentage of 7.0% was averaged with the Median DBE Achievement of 3.9% to yield a goal of 5.5% for **2003** Construction.

Since 1999, we have used a split of 2/3 Race Conscious and 1/3 Race Neutral to achieve our goals. Our historical records indicate that we have exceeded the goal once, but in the past two years we have not met the goal. For this reason, we will increase the Race Conscious proportion slightly.

Thus our goal for FFY 2003 will be 5.5%, broken down as 4.0% Race Conscious and 1.5% Race neutral.

STEP 1 DETERMINATION OF RELATIVE AVAILABILITY OF DBE FIRMS FOR CONSULTANTS

To calculate the relative availability of ready, willing and able DBE **consultant** firms, we employed the methods used by the WisDOT to establish a statewide “pool” of DBE firms doing business in Wisconsin. This number was 17 firms. This number was reduced to those DBE firms doing **aviation related** business in Wisconsin. This latter number is 12 firms.

This methodology yielded a statewide total of 12 DBE firms and 93 non-DBE firms doing aviation related business in Wisconsin. These numbers were further modified using the Directory of Eligible DBE Firms to determine which firms provide services to the area served by the airport.

Based on information provided in the DBE Directory, 91% of all DBE firms service the Oneida County Area. It follows that 91% of DBE firms provide consultant services to the Oneida County Area. This yields a number of 11 DBE firms who are ready, willing and able to provide services to the Rhinelander-Oneida County Airport.

Application of this methodology for calculating a base figure yields the following results:

$$\frac{11 \text{ DBE firms}}{11 \text{ DBE firms} + 93 \text{ non-DBE firms}} = \frac{11}{104} = 10.6\%$$

We will use this figure as our Step 1 Determination for Consultants.

Step 2 Adjustments

We will make our Step 2 adjustments based on Historical participation of DBE firms. There are no disparity studies that we are aware of for Rhinelander-Oneida County Airport Service Area, and we have no documented evidence that DBE firms form or grow at different rates than other small business, especially in the aeronautics industry. Therefore we will focus on historical participation.

We looked at DBE Participation in previous years. Our DBE Achievement History for the past four years is summarized as follows:

Consultants					
FFY	Total Federal \$	DBE Achievement \$	Overall Assigned Goal	Percent Achieved	
1998	\$0	\$0	0%	0%	
1999	\$0	\$0	1.0%	0%	
2000	\$48,582	\$4,118	4.3%	8.5%	
2001	\$0	\$0	0%	0%	
2002	No Projects	N/A	N/A	N/A	
Average DBE Participation	\$48,582	\$4,118		8.5%	
Median				8.5%	

From this data we adjusted our base percentage as follows:

The Base Percentage of 10.6% was averaged with the Median DBE Achievement of 8.5% to yield a goal of 9.6% for 2003 Consultant.

This goal will be achieved by 2/3 Race and Gender Conscious Goals and 1/3 Race and Gender Neutral Participation. The single sample and dollar amounts are too small to draw any significant conclusion regarding level of achievement with or without race and gender conscious goals.

Thus our goal is 9.6%, broken down to 6.4% Race and Gender Conscious and 3.2% Race and Gender Neutral.

COMPUTATION OF COMBINED GOAL:

We will assume that consultant management costs will average 7.5% of total contract costs.

Thus our combined goal is

$$(.925 \times \text{Construction Goal}) + (.075 \times \text{Consultant Goal})$$

$$(.925 \times 5.5) + (.075 \times 9.6) = 5.8\%$$

The Race Conscious goal is

$$(.925 \times \text{Construction Goal}) + (.075 \times \text{Race and Gender Conscious Consultant Goal})$$

$$(.925 \times 4.0) + (.075 \times 6.4) = 4.2\%$$

And the Race and Gender Neutral Goal is

$$(\text{Combined goal} - \text{Combined Race Conscious goal})$$

$$5.8\% - 4.2\% = 1.6\%$$